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C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 004511

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E.O. 12958: DECL: 09/13/2017
TAGS: [PGOV](#) [KDEM](#) [PREL](#) [PINR](#) [RS](#)
SUBJECT: WHAT ZUBKOV'S APPOINTMENT MIGHT MEAN

REF: MOSCOW 4483

Classified By: Ambassador William J. Burns. Reasons: 1.4 (b) and (d).

Summary

¶1. (C) President Putin's surprise decision to replace Prime Minister Fradkov with First Deputy Finance Minister Viktor Zubkov seems to have been the product of Kremlin clan rivalries, a wish to keep all options open, a need to ride herd over avaricious elites and a desire to at least temporarily cut high-flying First Deputy Prime Minister Sergey Ivanov down to size. The media and commentators have suggested that the appointment of First Deputy Finance Minister Zubkov brings back into play the long dormant possibility of Putin's return to power; something that at this juncture we find unlikely. Zubkov's September 14 confirmation may presage a cabinet re-shuffle of unknown magnitude. In the end, Fradkov's long-expected departure did little to answer the succession question, and in failing to do so, was vintage Putin. End summary.

Clan Politics

¶2. (C) Since his February 14 promotion to First Deputy Prime Minister, Sergey Ivanov's ascent to the presidency, possibly via the prime minister's job, seemed increasingly inevitable. Zubkov's appointment appears to have been a setback for Ivanov, and a success for the efforts of Presidential Administration Chief Sechin and his camp to remind the elites of their continued influence. Putin, ever mindful of the Kremlin's competing interests, may have acceded to the attempt to restore the balance in order to puncture the balloon of the high-flying Ivanov. The September 12 article in Vedomosti (reftel), which forecast an Ivanov presidency can be interpreted in that light as a last-ditch effort by Ivanov supporters to avoid that setback. Alternatively, some here speculate that the Zubkov appointment could have been a sop to Sechin in order to win his acquiescence to an Ivanov presidency.

Zubkov as President

¶3. (C) Although Zubkov during his meetings with Duma political party factions September 13 did not exclude the possibility that he could become president, the emerging consensus in the media (that must rely on rumor and speculation in the absence of authoritative information about what is being planned) was that he was "too old" at 66, for the job. (Putin may share that view. He reportedly told editors at an August 24 meeting that Zubkov was very capable "for a man of his age.") At a minimum, Zubkov's age and his

unexpected appointment have revived long-dormant speculation that a Zubkov presidency, if it occurred, could be short and might be followed by a Putin third term.

14. (C) A Zubkov prime ministership does not exclude an Ivanov, Medvedev, or "other" presidency, however. Putin may have pegged Zubkov for the job because his reputation for probity, personal loyalty, and knowledge of where the skeletons are buried made him better able to ride herd over the financial competition among elites. That competition will only further intensify as the President's term of office nears its end. (In his September 13 Duma meetings, Zubkov described corruption as the "key problem facing Russia.") Certainly, it is much too early in the presidential marathon to assume that Zubkov's surprise appointment has changed the fundamentals of the contest. It instead may be a sign only that Putin has not yet definitively settled on a successor. (In the eyes of the political elite --the only group that counts for Putin-- the selection of Ivanov for the job would have sealed his claim to the presidency.)

Putin in Charge

15. (C) As noted reftel, the September 12 appointment was vintage Putin. It was unexpected, it left no doubt that the President remains firmly in control of the succession process, it postponed his lame duck status, and it kept afloat the largest possible number of succession options. It also provided Putin with a plausible occasion for engineering a Cabinet re-shuffle should he choose to do so. (Rumors here suggest that Minister of the Economy Gref could be one of the casualties. His departure, if it occurred, would have more to

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do with clan politics than with the GOR's economic policies.) Some here speculate that Fradkov's departure could be the leading edge of a more thorough re-structuring that could see key potential contenders --Ivanov, Medvedev, Naryshkin, Yakunin-- moved to positions that would inconclusively highlight their candidacies.

Comment

16. (C) An inkling of Zubkov's intentions, or Putin's intentions for Zubkov, may become apparent on September 14 when he addresses the Duma before his confirmation as Prime Minister, but it appears at this juncture that the endgame will emerge only slowly, and at a pace of Putin's choosing. That will be disappointing to observers who had hoped that Putin would show his hand early in order to compensate for the absence of the institutions that normally inject predictability into the political process. Such expectations, however, ignore the far more compelling need, from Putin's point of view, to ensure that he emerges from this, the most delicate part of his presidency, unscathed and with a successor of his choosing well positioned to continue his agenda for Russia.
Burns